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Holland

February 16, 1989

TO: Lowell Braxton, Administrator

FROM: Holland Shepherd, Reclamation Specialist *HUS*

RE: Excess Surety, Mi Vida Mine, M/037/028, San Juan County, Utah

I recently received a phone call from Mr. Ron Johnson, of the First Security Bank of Utah, in Monticello. He informed me that Minerals West, operator of the Mi Vida Mine, is interested in obtaining the excess surety currently held by the bank.

The surety requirement is for \$15,312.00. Presently \$18,311.00 exists in the account. There is an excess of \$2,999.00 in the account.

The Mi Vida Mine disturbance is less than 5 acres. I spoke with you earlier about the Energy Fuel/Minerals West contract agreement drawn up in 1986. Energy Fuels will assume responsibility for the site, but is waiting to settle some tax questions with Minerals West. Obviously we'll need to hold the money until we get a Small Operator NOI from either Energy Fuels or Minerals West.

Please advise me as to the procedure we should take in releasing the \$2,999.00

jb
MN4/84

Let's hold on this until Dianne releases our Minerals Surety release procedure. See me next week if the procedure isn't out. Thanks

Lund